

## **IC 33-44-7**

### **Chapter 7. Indiana Attorney Trust Account Fund**

#### **IC 33-44-7-1**

##### **Establishment**

Sec. 1. The Indiana attorney trust account fund is established as a trust fund to be used solely as provided under this article.

*As added by P.L.98-2004, SEC.23.*

#### **IC 33-44-7-2**

##### **Administration**

Sec. 2. The fund shall be administered by the board in accordance with rules adopted under IC 4-22-2 by the board.

*As added by P.L.98-2004, SEC.23.*

#### **IC 33-44-7-3**

##### **Deposit of interest remitted**

Sec. 3. The board shall deposit the interest remitted under IC 33-44-6-4 into the fund.

*As added by P.L.98-2004, SEC.23.*

#### **IC 33-44-7-4**

##### **Public fund**

Sec. 4. The money in the fund consists of public funds.

*As added by P.L.98-2004, SEC.23.*

#### **IC 33-44-7-5**

##### **Investment of funds**

Sec. 5. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

*As added by P.L.98-2004, SEC.23.*

#### **IC 33-44-7-6**

##### **Nonreversion of money in fund**

Sec. 6. Money in the fund at the end of a state fiscal year does not revert to the state general fund.

*As added by P.L.98-2004, SEC.23.*

#### **IC 33-44-7-7**

##### **Income received by board from remittance of interest not taxable to attorney or client**

Sec. 7. For purposes of Indiana law, income received by the board from the remittance of interest is not taxable to:

- (1) the attorney maintaining the interest bearing attorney trust account; or
- (2) the client whose funds are deposited in the interest bearing attorney trust account.

*As added by P.L.98-2004, SEC.23.*

### **IC 33-44-7-8**

#### **Disbursements; limitations**

Sec. 8. The board may not disburse money in the fund except for:

- (1) the delivery of civil legal assistance to eligible clients;
- (2) programs or projects in the public interest that assist in the improvement of the administration of justice; and
- (3) administrative costs.

*As added by P.L.98-2004, SEC.23.*

### **IC 33-44-7-9**

#### **Order and amount of disbursements**

Sec. 9. During each year the board shall disburse money from the fund for the payment of administrative costs to the extent permitted under section 14 of this chapter. After the payment of administrative costs, any money disbursed by the board from the fund during that year shall be disbursed as follows:

- (1) Ninety percent (90%) of the funds shall be disbursed to provide legal assistance to eligible clients by:
  - (A) qualified legal services providers; or
  - (B) law school clinics in Indiana that provide free civil legal assistance to eligible clients.

- (2) Ten percent (10%) of the funds shall be disbursed for programs or projects in the public interest that assist in the improvement of the administration of justice, including the following:

(A) Guardian ad litem and court appointed special advocate programs that provide guardians ad litem or court appointed special advocates for appointment by the court:

- (i) under IC 31-17-2-12 to conduct an investigation and prepare a report in a custody proceeding; or
- (ii) under IC 31-33-15-1, IC 31-34-10, or IC 31-40.

(B) Lawyer referral services in Indiana that provide:

- (i) a referral to an attorney in private practice without a charge for the referral; and
- (ii) an initial consultation with an attorney in private practice without a charge for the consultation;

in a fee generating case.

*As added by P.L.98-2004, SEC.23.*

### **IC 33-44-7-10**

#### **Receipt of disbursed funds for legal assistance to eligible clients; eligibility for other funds**

Sec. 10. An entity that receives funds disbursed under section 9(1) of this chapter during a year is not eligible to receive funds disbursed under section 9(2) of this chapter during that year.

*As added by P.L.98-2004, SEC.23.*

### **IC 33-44-7-11**

#### **Receipt of disbursed funds for programs assisting in improvement of administration of justice; eligibility for other funds**

Sec. 11. An entity that receives funds disbursed under section 9(2) of this chapter during a year is not eligible to receive funds disbursed under section 9(1) of this chapter during that year.  
*As added by P.L.98-2004, SEC.23.*

#### **IC 33-44-7-12**

##### **Contracts; award of grants**

Sec. 12. The board shall periodically:

- (1) enter into contracts with; and
- (2) award grants to;

qualified legal services providers, law school clinics, and programs or projects in the public interest that assist in the improvement of the administration of justice to carry out the purpose of the fund.

*As added by P.L.98-2004, SEC.23.*

#### **IC 33-44-7-13**

##### **Considerations in making disbursements**

Sec. 13. In making disbursements from the fund under section 9(1) of this chapter, the board shall primarily consider the geographic distribution by county of persons with incomes of not more than the current poverty threshold established by the United States Office of Management and Budget, as indicated in the most current report published by the Bureau of the Census. However, the board may use other considerations in making disbursements from the fund when demonstrable legal needs are documented by a qualified legal services provider.

*As added by P.L.98-2004, SEC.23.*

#### **IC 33-44-7-14**

##### **Total administrative costs; maximum**

Sec. 14. Total administrative costs, including payments to board members under IC 33-44-4-11 and IC 33-44-4-12, costs for employees under IC 33-44-8, and all other costs of managing and administering the fund and otherwise performing all responsibilities of the board, may not exceed fifteen percent (15%) of the amounts received into the fund from interest bearing attorney trust accounts.

*As added by P.L.98-2004, SEC.23.*

#### **IC 33-44-7-15**

##### **Annual audit of fund; audits of providers receiving fund disbursements**

Sec. 15. The state board of accounts shall conduct an audit of the fund at least one (1) time during each year to ensure that the fund is administered as required by this chapter. The state board of accounts may conduct audits of qualified legal services providers, law school clinics, and programs or projects in the public interest that assist in the improvement of the administration of justice as the state board of accounts considers necessary to ensure that the money distributed to qualified legal services providers, law school clinics, and programs or projects in the public interest that assist in the improvement of the

administration of justice is being used as required by this article.  
*As added by P.L.98-2004, SEC.23.*